

1 MR. SMITH: Okay.

2 MS. MERIWEATHER: Actually, before I get  
3 to that, Mr. Dygert, I don't think we got a ruling  
4 of the question asked before lunch, which was  
5 whether--just so that we have something on the  
6 record in the event that the parties are not able  
7 to resolve the issue, whether we could get very  
8 brief statement from each of our witnesses just  
9 saying what they're willing to live with. I know  
10 Verizon objected to this, but realistically last  
11 week during the proceedings, there were various  
12 pieces of contract language that were proposed  
13 during negotiations that were witnesses, and--

14 MR. OATES: I don't have any objection to  
15 that. That's fine. I didn't think that would  
16 speed things up. That's fine. I have no objection  
17 to that.

18 MR. DYGERT: Okay, go ahead, then.

19 DIRECT EXAMINATION

20 MS. MERIWEATHER: So I guess I will ask  
21 Ms. Lichtenberg, could you just briefly summarize  
22 where in your view we are and what WorldCom's

1 position is on this issue.

2 MS. LICHTENBERG: WorldCom and Verizon are  
3 in the process of working through an agreement that  
4 will allow WorldCom to receive an electronic bill  
5 for UNE platform and other unbundled elements  
6 rather than a paper bill, regardless of the status  
7 of the development of electronic billing in Verizon  
8 Virginia.

9 We will use this bill to pay our charges  
10 in Virginia. And also in the event that a dispute  
11 arises, we'll use this instrument rather than the  
12 paper bill, which is currently the bill of record  
13 in Virginia.

14 We also are working in this language on an  
15 agreement with Verizon, that we will work jointly  
16 to identify problems in the bill and to ensure that  
17 they get corrected promptly, and that we come up  
18 with the best electronic billing product that we  
19 can.

20 There are some minor additional issues  
21 regarding the need for jurisdictionalising charges,  
22 and Verizon will do that when they can. And if

1 they can't, the parties will discuss it and see  
2 where we could go from there.

3 Verizon will also provide us with  
4 descriptions of the universal service order codes  
5 that relate to capital expenditures in terms of the  
6 development of co-locations so that we will be able  
7 to carry those on our books in the proper way.

8 That is, in essence, the agreement we are  
9 working on at this moment.

10 DIRECT EXAMINATION

11 MR. OATES: Mr. Smith, did you hear  
12 Ms. Lichtenberg's testimony?

13 MR. SMITH: I did.

14 MR. OATES: If you could just briefly  
15 comment on any issues or her characterization, I  
16 guess, of the status of negotiations or any points  
17 in dispute that Verizon has with what WorldCom is  
18 proposing.

19 MR. SMITH: Okay. I would be happy to.  
20 And I think generally I'm in agreement with what  
21 Ms. Lichtenberg said. We are discussing doing some  
22 form of trial between the two companies where we

1 can work on any issues surrounding an electronic  
2 bill, and during that trial allowing WorldCom or  
3 MCI to use that bill, electronic bill, to pay  
4 end-dispute charges as part of this trial.

5           With respect to the jurisdictionalization,  
6 we agree that where we can, we provide the billing  
7 by jurisdictionalization. As far as where we do  
8 not, we are willing to discuss it, but at this  
9 point I don't think Verizon understands all of the  
10 reasons or issues that may arise around  
11 jurisdictionalization, why MCI is looking for  
12 that, or where they are looking for it, more  
13 specifically. So, I think we need some  
14 clarification there.

15           And with respect to the co-location  
16 billing in the USOCs, the only clarification I  
17 would like to add is we are willing to work with  
18 MCI to provide them with list of the USOCs for  
19 nonrecurring cage construction costs for  
20 co-location.

21           The only thing I hesitate is that we will  
22 provide them capital charges because I don't feel

1 that we are in a position to make the determination  
2 from an accounting standpoint as to what MCIm wants  
3 to reflect on their books as capital or not.

4 So, we can certainly provide them with the  
5 information, and they would be able to determine  
6 whether or not they were capital charges.

7 MS. MERIWEATHER: Okay.

8 CROSS-EXAMINATION

9 MS. MERIWEATHER: Mr. Smith, this is Robin  
10 Meriweather on behalf of WorldCom. Can you hear me  
11 clearly?

12 MR. SMITH: Pretty well, yes.

13 MS. MERIWEATHER: Okay. In the event that  
14 the negotiations are not successful and WorldCom  
15 and Verizon are not able to reach agreement on  
16 billing language, does Verizon intend to revert to  
17 the initial position which was in the testimony,  
18 that the Interconnection Agreement should not  
19 contain a billing provision at all, or has Verizon  
20 now become amenable to having a billing provision  
21 in the Interconnection Agreement and simply having  
22 the dispute that would remain if this issue stays

1 open, just concerned which party's language gets  
2 addressed? I'm sorry, which party's language gets  
3 adopted.

4 MR. SMITH: I think Verizon is amenable to  
5 having billing language in the agreement. We would  
6 obviously put forth the language that we had  
7 suggested.

8 MS. MERIWEATHER: Okay. And I just have a  
9 couple more questions. You indicated that, or you  
10 have indicated that Verizon is conducting trials,  
11 the BOS-BDT, B-O-S dash B-D-T, format for the  
12 system that Verizon uses to provide resale and UNE  
13 services, but you didn't indicate when those trials  
14 were expected to end. Is there an expected end  
15 date for the trials?

16 MR. SMITH: I don't have a specific date  
17 as to when this trial would end. Obviously,  
18 Verizon desires to get an electronic bill, BOS-BDT  
19 bill as soon as we could validate and get it  
20 through the quality assurance process and make sure  
21 that it is a quality product, but I'm not sure of a  
22 specific time frame to quote.

1 MS. MERIWEATHER: Okay. Is it fair to say  
2 that the trials would likely end within maybe a  
3 year from the current date?

4 MR. SMITH: I would certainly hope that it  
5 would end within a year.

6 MS. MERIWEATHER: And I guess I have one  
7 other question. And the fact that Verizon is  
8 conducting trials of the BOS-BDT format mean that  
9 the systems that are required to provide that  
10 billing format are already in place?

11 MR. SMITH: I think what I said is Verizon  
12 is willing to enter into a trial with MCIm WorldCom  
13 in Virginia. We are just putting in place the  
14 resources to do the quality assurance process. And  
15 we have put some test bills out, but we are working  
16 to get the conversion of express track data, which  
17 is the billing system, in Virginia into a format  
18 where we could render it through a BOS-BDT bill.

19 MS. MERIWEATHER: Thank you, Mr. Smith. I  
20 have no additional questions.

21 MR. SMITH: Thank you.

22 MR. OATES: I have a housekeeping matter.

1 I would like to offer as an exhibit what we marked  
2 as Verizon Exhibit 56, and it is a signature page.

3 MR. DYGERT: Is this a new exhibit?

4 MR. OATES: Yes.

5 MR. DYGERT: It could be 58 instead?

6 MR. OATES: Could be.

7 And if either the staff or the parties  
8 need be, I will authenticate this with the witness.

9 MS. MERIWEATHER: If this is the signature  
10 page to add to the testimony, I have no problem  
11 with that.

12 (Verizon Exhibit No. 58 was  
13 marked for identification.)

14 MR. OATES: It may be best, Mr. Dygert, if  
15 you would allow me to ask a couple of questions to  
16 the witness because I'm not sure that the most  
17 recent version of the testimony is what was marked,  
18 the testimony for which the signature page applies,  
19 was marked and has been placed--has been marked as  
20 an exhibit. Our list doesn't reflect that it has.

21 MS. MERIWEATHER: Does this go to the  
22 October 1st testimony?



1 MR. OATES: The date that I have on this,  
2 this relates to revised rebuttal testimony on  
3 mediation issues for business process. The date  
4 that I have on mine is September the 28th. I have  
5 to confess that I don't know if that's the filing  
6 date. At that point in time Mr. Smith was added as  
7 a witness to the panel to replace a prior witness,  
8 and our exhibit list anyway indicates that it's a  
9 prior version of that rebuttal testimony that has  
10 been marked as an exhibit here. If that's the  
11 case, we are going to have to switch that out.

12 The testimony on September 28th was filed  
13 and served on the parties, but I'm not sure it's  
14 been properly marked as an exhibit here.

15 MR. DYGERT: All right, go ahead.

16 REDIRECT EXAMINATION

17 MR. OATES: Mr. Smith, just a couple of  
18 questions. Do you recall submitting or reviewing  
19 revised rebuttal testimony regarding issue IV-74  
20 and filing that testimony around September the  
21 28th?

22 MR. SMITH: I do.

1 MR. OATES: And the purpose for that  
2 revision was both to replace Warren Geller with you  
3 as a witness on the panel as well as to make  
4 substantive revisions to some of the testimony  
5 itself?

6 MR. SMITH: That's correct.

7 MR. OATES: And is that the testimony to  
8 which you signed a declaration page last week?

9 MR. SMITH: Yes, it is.

10 MR. OATES: Thank you.

11 MR. DYGERT: Then Verizon Exhibit 58 is  
12 admitted.

13 (Verizon Exhibit No. 58 was  
14 admitted into evidence.)

15 MS. MERIWEATHER: Mr. Dygert, while we are  
16 on exhibits, I believe it was mentioned before the  
17 break that issue IV-31 has been resolved. I have a  
18 copy of the agreed-to language, if you would like.  
19 We could enter it as an exhibit. If not, that's  
20 fine.

21 MR. DYGERT: That's all right. I assume  
22 the parties will put it into their contract where

1 it belongs.

2 QUESTIONS FROM STAFF

3 MR. STANLEY: This is John Stanley from  
4 the FCC. I just had a couple of questions.

5 First of all, for Mr. Smith, for the trial  
6 that Verizon and WorldCom are discussing now, would  
7 that only involve Verizon and WorldCom, or would it  
8 involve Verizon and other CLECs?

9 MR. SMITH: At this point it would involve  
10 Verizon and WorldCom as we are entering into it  
11 under the proposed Interconnection Agreement.

12 MR. STANLEY: Would it produce--end up  
13 producing a two-track billing system where Verizon  
14 would receive bills under one methodology and other  
15 CLECs would receive bills under another  
16 methodology?

17 MR. SMITH: No, I don't believe so. What  
18 the purpose of the trial would be is between the  
19 two parties to identify issues relating to BOS-BDT  
20 in general and resolve those issues, so that a  
21 BOS-BDT product could be made generally available  
22 to all CLECs.

1 MR. STANLEY: Okay. How does this trial  
2 relate to the changed management process? Is it  
3 within the bounds of the changed management  
4 process, or outside of it?

5 MR. SMITH: The changes that would be  
6 identified through the trial would be noticed to  
7 the industry through the changed management  
8 process. And at the conclusion of the trial, when  
9 we made the BOS-BDT the bill of record, that notice  
10 would go out again as making it available through  
11 the changed management process.

12 MR. STANLEY: Okay. Under WorldCom's  
13 currently proposed language, does it envision any  
14 kind of trial period or development period between  
15 the parties, or would Verizon immediately have to  
16 make an electronic format available on the  
17 effective date of the contract?

18 MR. SMITH: Under the language that we  
19 have here, we would be using an electronic bill  
20 during the duration of the trial, so that WorldCom  
21 would be using the trial electronic bill during  
22 that period to pay in end-dispute charges.

1 MR. STANLEY: My question to WorldCom is.  
2 Forget about the trial, under the current proposed  
3 language, would it envision a trial or would it be  
4 an immediate obligation?

5 MS. LICHTENBERG: Our currently proposed  
6 language asks for an immediate obligation because  
7 we are unable to deal with boxes of paper. We need  
8 to have an electronic bill.

9 The proposed language will allow us to  
10 start with an electronic bill, use it as if it were  
11 the bill of record, and work jointly to help  
12 Verizon to identify issues and changes that needed  
13 to be made to the bill.

14 MR. STANLEY: Under the proposed language,  
15 wouldn't it be impossible--since the system doesn't  
16 exist right now, wouldn't it be impossible for  
17 Verizon to comply, let's say, if the effective date  
18 is early next year, if the WorldCom language were  
19 adopted?

20 MS. LICHTENBERG: I'm unclear of whether  
21 the system exists or not. In reading the language  
22 on the Verizon Web site, I believe that an

1 electronic bill does exist. However, it is not yet  
2 named the bill of record.

3 MR. STANLEY: Mr. Smith, do you want to  
4 comment on that? Does an electronic bill exist?

5 MR. SMITH: Yes, we do have some  
6 electronic billing capabilities in Virginia that is  
7 just being rolled out right now, but again they  
8 have not been through the quality assurance  
9 process.

10 MR. STANLEY: Is that how you would  
11 characterize the trial? The trial is really about  
12 quality assurance?

13 MR. SMITH: We would conduct quality  
14 assurance, whether or not there were a trial. This  
15 would allow us to have another party that's in  
16 production finding and helping us identify issues  
17 and work towards resolution.

18 MR. STANLEY: Okay. I have no further  
19 questions.

20 MR. DYGERT: Any redirect?

21 MR. OATES: None from Verizon.

22 MS. MERIWEATHER: None from WorldCom.

1 MR. DYGERT: All right. Thank you,  
2 Mr. Smith, and thank you, Ms. Lichtenberg.

3 While we are waiting for AT&T to come in  
4 and situate itself, why don't we run through--why  
5 don't I run through quickly the administrative  
6 matters that we discussed while we had broken for  
7 lunch.

8 First, we agreed to the parties' revised  
9 proposal or proposal for revised deadlines for the  
10 noncost briefs to be submitted in this matter.  
11 Those deadlines are now November 12th for the  
12 opening briefs and November 30th for the reply  
13 briefs. The parties have agreed to submit both  
14 updated integrated contracts as well as revised  
15 Joint Decision Point Lists by November 2nd.

16 The parties have also undertaken to reach  
17 agreement among themselves for how they will  
18 organize their briefs, breaking it down generally  
19 into the categories that have been used in the JDPL  
20 in the past as well as the subcategories of those  
21 larger headings where possible. And I think the  
22 indication was that the parties expected to have

1 something to share with staff by next Monday on  
2 that.

3           Lastly, we ask that each party submit  
4 after the conclusion of the noncost part of the  
5 hearing as well as after the conclusion of the cost  
6 part of the hearing an updated exhibit list for  
7 itself listing both exhibit numbers and  
8 descriptions of exhibits, so we have a complete  
9 record of that.

10           I think that was all we discussed, and we  
11 could go off the record.

12           (Off the record.)

13           MR. DYGERT: For the record, we are now  
14 beginning what's previously been marked as network  
15 architecture subpanel five and now includes a  
16 couple of intercarrier compensation issues. The  
17 issues we will discuss are V-1, V-2, V-8, VII-4,  
18 VII-5, VII-6, and VII-8.

19           And for the record we have Mr. D'Amico,  
20 Mr. Albert for Verizon, and Mr. Talbott and  
21 Mr. Schell for AT&T.

22           Before we get started with that,



1 Mr. Harrington has something to put on the record.

2 MR. HARRINGTON: Cox has completed all of  
3 its issues in this proceeding, and we express our  
4 appreciation to Jenner & Block for hosting this  
5 over the last week and a half. They have done a  
6 great job getting materials and spaces together for  
7 the parties. And with that, we will bid you adieu  
8 until the briefing.

9 RECORD REQUEST

10 MS. DAILEY: Before you leave, could I  
11 make a request on the record? I thought this was  
12 on the record last week, so I apologize, but it's  
13 not anything you haven't heard already, but the  
14 purpose of this is to make a record request. I  
15 think you have your notes probably about this.

16 With respect to issues I-1 and I-2, we had  
17 requested a copy of the Cox tariff filed in  
18 Virginia with respect to entrance facilities,  
19 associated rate elements, table of contents and  
20 cover sheet of the tariff.

21 MR. HARRINGTON: We had already taken that  
22 as a record request.

1 MS. DAILEY: I wanted to get that on the  
2 record because it wasn't, apparently, last week  
3 when I reviewed the transcript.

4 MR. DYGERT: Who is examining witnesses  
5 first? Looks like AT&T.

6 CROSS-EXAMINATION

7 MR. KEFFER: Mr. Albert, this morning in  
8 your discussion of one of your issues, you were  
9 talking about how Verizon takes traffic from its  
10 switches on DS1s and steps it up to OC48. Do I  
11 recall that correctly?

12 MR. ALBERT: Yes.

13 MR. KEFFER: When you said you step up  
14 your traffic, was that another way of saying you  
15 multiplex that traffic?

16 MR. ALBERT: In the broad context of the  
17 word "multiplexing," yes.

18 And I guess what's important with this  
19 issue is the word "multiplexing" unto itself, taken  
20 at a broad level, can mean a lot of different  
21 things. And when you break it down into the  
22 specific situations where it's applied, it takes on

1 different meanings.

2           The multiplexing I was talking about  
3 there, and the question that you described, you  
4 really think of that as multiplexing with a big  
5 capital M. That was another example I think we had  
6 earlier last week when we used the term entrance  
7 facility. The same exact term, based on the  
8 context in which it's being used, can mean  
9 different things.

10           With this particular issue, when we are  
11 talking about multiplexing, it's important to  
12 define a portion of the contract and the context  
13 that we are dealing with multiplexing, so that the  
14 much more specific definition and usage of the term  
15 can come into play.

16           In this issue, we are dealing with a  
17 portion of the contract, 5.2, which is trunk route  
18 connections and ordering.

19           And--

20           MR. GOYAL: You're talking about issue V.2  
21 or Section 5.2?

22           MR. ALBERT: This is the Verizon proposed

1 contract. It's the same thing we had with  
2 WorldCom, VI-1(B). And really it's the exact same  
3 portion of the contract that we are dealing with--

4 MR. GOYAL: Could you tell me what page of  
5 the JDPL you are looking at.

6 MR. ALBERT: 174 in th JDPL.

7 MR. GOYAL: Issue VII-6?

8 MR. ALBERT: With AT&T we are dealing with  
9 as issue VII-6, but it's the exact same portion of  
10 the contract and the same overall issue as it  
11 relates to multiplexing.

12 But the portion of the contract we're  
13 dealing with, Section 5.2, trunk group connections  
14 and ordering, and to more narrowly describe  
15 multiplexing as it relates to this portion of the  
16 contract, it's important that we are talking about  
17 multiplexing first as Verizon provides it to  
18 carriers. That's different than the big  
19 multiplexing. Next we are talking about DS3/DS1  
20 multiplexing for the ordering of trunks, and that  
21 is much more narrowly unique type of multiplexing.

22 I don't know if you guys were here when we

1 went through some of this with WorldCom, but let  
2 me--

3 MR. KEFFER: I'm trying to remember my  
4 question. I believe it was a yes-or-no question.  
5 I hate to think what happened if I asked you for an  
6 explanation on something.

7 MR. ALBERT: It was yes to multiplexing  
8 with big M, and now I'm describing how we are  
9 dealing with a much more refined context of  
10 multiplexing in the contract as it relates to the  
11 ordering of trunks.

12 MR. KEFFER: I understand you want to  
13 differentiate between the multiplexing you provide  
14 for yourself versus what you perceive to be the  
15 multiplexing that AT&T wants you to provide on  
16 AT&T's behalf.

17 Now, if you want to go ahead and continue  
18 with your explanation, that's fine, but first let  
19 me ask you: Is that what you're about here? I  
20 don't want to slow you down.

21 MR. ALBERT: I was trying to describe  
22 multiplexing as we do it for carriers and for

1 trunks, is much more narrower and precise and  
2 different than the use of just multiplexing in the  
3 overall context.

4 MR. KEFFER: But when we started this  
5 discussion, I was asking you about the multiplexing  
6 that you provide for your own traffic at your own  
7 offices.

8 MR. ALBERT: Yeah, and I was going to  
9 agree with the point you were trying to make, which  
10 is in all of our central offices we do multiplexing  
11 with big capital M, okay? Which basically means  
12 that we take a number of lower order digital  
13 signals, and we will combine them into a higher  
14 order digital signal, and the converse of that is  
15 also multiplexing when you take a higher order  
16 digital signal and you then break them out into the  
17 lower order digital signals.

18 So, that stepping up through the digital  
19 hierarchy of going from lower order signals to  
20 higher order signal to the higher order signal and  
21 then all back down again, that multiplexing with  
22 big capital M, that broad functionality occurs in

1 every single central office building that Verizon  
2 has. However, that big, broad context, unto  
3 itself, is still much different than the much more  
4 narrow precise multiplexing that we are dealing  
5 with in this portion of the contract, which is DS1  
6 to DS3 multiplexing for carriers for the  
7 provisioning of switched trunks.

8 MR. KEFFER: I don't want to stop you. If  
9 you want to explain why you can do it for yourself  
10 and how do you it for yourself, and contrast that  
11 with what you cannot do, in your opinion, for AT&T  
12 under the contract provisions that we proposed, go  
13 ahead. The stage is yours.

14 MR. ALBERT: All right. And I will even  
15 throw in a proposal for you, okay? So that when we  
16 get to the end of this there will be a pony in here  
17 somewhere. I know you will be on the edge of your  
18 seat waiting for it.

19 But this issue, to me, has the smell of  
20 one where we get into a death spiral, and let's see  
21 if we could break the death spiral, and if we all  
22 really understand what we are talking about.

1 MR. KEFFER: I'm anxiously looking forward  
2 to the pony.

3 MR. ALBERT: The multiplexing with a  
4 little more narrowly defined M for this portion of  
5 the contract, what I said to WorldCom is we had an  
6 FCC requirement that we had to provide multiplexing  
7 for CLECs the same way we provide for IXC's, and I  
8 wasn't sure which order that was from, 1996, 1998,  
9 UNE Remand, one of those places.

10 And what our contract language does today  
11 is that is exactly for CLECs the way we do DS3/DS1  
12 multiplexing for IXC's for the ordering of switched  
13 interconnection trunks. And it includes some  
14 cryptic terms that are in the tariff where we  
15 perform multiplexing at locations that are  
16 classified central offices in our network that are  
17 classified as either an intermediate hub or as a  
18 terminus hub.

19 When we are talking about multiplexing,  
20 and we are talking about Verizon doing it the same  
21 way for CLECs as it does for the IXC's, the two  
22 aspects that we talking about the same is the same



1 equipment and same location in the network. And I  
2 know we are trying to cut down on diagrams, but I  
3 just got to do one diagram to give the explanation  
4 here. This will be to demonstrate the terminology  
5 of the intermediate hubs and the terminus hubs.

6 MR. EDWARDS: Could I go ahead and mark  
7 that as Verizon Exhibit 59.

8 (Verizon Exhibit No. 59 was  
9 marked for identification.)

10 MR. DYGERT: All right.

11 MR. ALBERT: I will put in a CLEC location  
12 in the square, top left, and I'm going to draw a  
13 number of Verizon central office buildings, all of  
14 which have switches in them.

15 And then I'm going to label one of these  
16 as being an intermediate hub, INT. I'm going to  
17 label another one of these as being a terminus hub,  
18 TERM. Those are the two terminologies from the  
19 tariff which we use to define where in the network  
20 we do the multiplexing from DS1s to DS3s and  
21 switched trunks.

22 And there are two issues associated with

1 that. An intermediate hub, where we would do DS1  
2 and DS3 multiplexing. That location is where the  
3 DS3 the CLEC has ordered, and it's broken down into  
4 28 individual DS1s.

5 And if the office is an intermediate hub,  
6 those DS1s can be terminated on a switch in the  
7 intermediate hub, or the DS1s can be transported to  
8 other end offices which subtend the intermediate  
9 hub.

10 MR. KEFFER: Mr. Albert, since this is  
11 supposed to be cross-examination, let me pretend to  
12 ask you questions.

13 MR. ALBERT: Okay.

14 MR. KEFFER: You labeled intermediate hubs  
15 and terminus hubs. You would agree with me that  
16 Verizon gets to designate which is which.

17 MR. ALBERT: That's correct, these are  
18 designated by us.

19 MR. KEFFER: The designation is driven by  
20 the type of equipment that's present in those  
21 central offices?

22 MR. ALBERT: Two things.

1 MR. KEFFER: Equipment is one of them?

2 MR. ALBERT: Yes.

3 MR. KEFFER: The other one is...

4 MR. ALBERT: Having sufficient interoffice  
5 transport capability radiating out of an  
6 intermediate hub to be able then to carry the DS1s  
7 further from the intermediate hub on our facilities  
8 to the end point location that the CLEC or the IXC  
9 would order to or designate.

10 MR. KEFFER: For both of those factors,  
11 the decisions on where and how to locate that  
12 equipment are made by Verizon?

13 MR. ALBERT: Correct.

14 MR. KEFFER: Go ahead.

15 MR. ALBERT: Now, the decision of where  
16 DS3 handoff occurs, I think what you guys call the  
17 POI or where our wires meet your wires, that can  
18 occur anywhere, all right?

19 So, the way this is actually used in trunk  
20 ordering, when we say that the carrier would also  
21 order multiplexing at an intermediate hub, you  
22 could either drop your DS3 wires at that hub or you

1 can hand us your DS3 wires at your location, or you  
2 could hand us your DS3 at some other co-location  
3 point.

4           So, the designation and use of these as  
5 well as how the trunks are ordered, that just  
6 strictly gets into where does the multiplexing  
7 occur. Where are those DS1s actually built into  
8 the DS3? It can still be a Verizon physical DS3  
9 facility coming out of there, but that is, in fact,  
10 the way the CLEC is ordering.

11           The two important considerations with an  
12 intermediate hub, then, is one that we have the  
13 right type of equipment to do the multiplexing and  
14 do it for carriers and do it in the way that  
15 carrier specifies, combining the DS1s and the DS3  
16 in the particular way the carrier specifies, and  
17 that particular type of equipment is an electronic  
18 digital cross-connect machine or by three-by-one  
19 digital cross-connect machine. You need that to do  
20 the multiplexing in the office for carriers.

21           And then also to be the intermediate hub  
22 we also have to have sufficient transport

1 facilities in place so the carrier then in turn can  
2 order those DS1s to actually terminate in any  
3 number of the Verizon end offices which subtend  
4 that intermediate hub.

5           And that aspect of having sufficient  
6 transport in place available is important because  
7 if you were to alternatively take a certain some  
8 distant office, go out to the boondocks and say  
9 "Break it down for me there," but then take it  
10 further the way it is actually ordered out to the  
11 network, if you go out to the boondocks, then  
12 there's not going to be facilities in place, and  
13 it's going to take forever, and nobody is going to  
14 get service.

15           So, that's why that element is critical.

16           MR. GOYAL: If I could interject with one  
17 question. You testified, Mr. Albert, that a CLEC  
18 could engage in DS3 interconnection at a POI  
19 location other than a hub location in the NECA 4  
20 tariff, and Verizon would take up that DS3; is that  
21 correct?

22           MR. ALBERT: In the DS3 itself, where the

1 physical facilities of the CLEC meet--let me first  
2 say yes, and I will explain.

3 MR. GOYAL: Actually, let me ask another  
4 question.

5 Can you explain how from that point of  
6 interconnection the DS3 would be terminated at any  
7 one of the individual--other Verizon switch  
8 locations? I'm presuming you will need to be  
9 demultiplexed at some point. How would that be  
10 accomplished from the POI to the individual  
11 switched locations?

12 MR. ALBERT: I will give you one example,  
13 all right? With transport there are a number of  
14 ways it could be ordered and physically provided,  
15 but one example--

16 MR. GOYAL: If you could address the  
17 physical provision first, we could talk about the  
18 ordering.

19 MR. ALBERT: One example would be if there  
20 was an entrance facility, which would be Verizon's  
21 fiber and Verizon's multiplexors on the two ends,  
22 and entrance facility built from the CLEC's

1 location to the central office building that was  
2 the intermediate hub, and the CLEC can order--this  
3 is then Verizon's physical facilities--the CLEC can  
4 order the DS3 riding those physical facilities  
5 which would come off in the intermediate hub. And  
6 if the CLEC wanted all of the 28 DS1 trunks to  
7 terminate on the switch in that hub, we would then  
8 at that location break the DS3 down into 28 DS1s.

9 MR. GOYAL: In that case, the POI would be  
10 at the termination of the Verizon DS3 in the CLEC  
11 switch?

12 MR. ALBERT: Right, POI as in where  
13 physical facilities owned by the CLEC connect to  
14 the physical facilities owned by Verizon.

15 MR. GOYAL: Now, could you draw a  
16 hypothetical where the POI is located at a switch  
17 location other than one of the hub locations, the  
18 DS3 point of interconnection, switch location,  
19 other than the hub locations.

20 MR. ALBERT: Let me keep this simple.  
21 Another way to do this is if the CLEC co-locates in  
22 the central office building which is the

1 intermediate hub. If they do that, if they would  
2 have fiber and multiplexors CLEC would own coming  
3 out of the CLEC's co-location arrangement, they  
4 would then hand us a DS3.

5 If they want to order switched trunks and  
6 multiplexing, we would then do the breakdown of the  
7 DS3 from the CLEC to the DS1, but the CLEC's  
8 physical facilities in their co-location  
9 arrangement would be where the connection would be  
10 made between the physical facilities owned by the  
11 CLEC and the physical facilities owned by Verizon.

12 MR. GOYAL: In that second hypothetical  
13 you explained, the point of interconnection would  
14 be at the CLEC's co-location cage?

15 MR. ALBERT: Right.

16 MR. GOYAL: Now, could you address the  
17 hypothetical I asked you. The point of DS3  
18 interconnection, is that a switched location other  
19 than a hub location?

20 MR. ALBERT: We'll do the same co-location  
21 example. Let's say CLEC co-located in this central  
22 office building, all right? They would order a DS3